

## FEDERAL ELECTION COMMISSION WASHINGTON, D.C. 20463

February 21, 2008

Linda M. Buzinec, Treasurer Indiana Democratic Congressional Victory Committee One North Capitol, Suite 200 Indianapolis, IN 46204

Response Due Date: March 24, 2008

Identification Number: C00108613

Reference:

Amended July Monthly Report (6/01/07 - 6/30/07), received 8/21/07

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. Failure to adequately respond by the response date noted above could result in an audit or enforcement action. Additional information is needed for the following 5 items:

Schedule B of your report (see attached) discloses one or more contributions which appear to exceed the limits set forth in the Act. 2 U.S.C. §441a(a) prohibits a multicandidate committee and its affiliates from making a contribution to a candidate for federal office in excess of \$5,000 per election.

If any apparently excessive contribution in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information.

If any contribution you made exceeds the limits, you must request a refund of the excessive amount or provide a written authorization for a redesignation of the contribution pursuant to 11 CFR §110.2(b) within 60 days of the treasurer's receipt.

If the foregoing conditions for redesignations were not met within 60 days of the treasurer's receipt, your committee must obtain a refund of the excessive amount.

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Please inform the Commission of your corrective action immediately in writing and provide a photocopy of the refund or redesignation request sent to the recipient committee(s). In addition, any refunds should be disclosed on Schedule A supporting Line 16 of the report covering the period during which they are received. Any redesignations should be disclosed as memo entries on Schedule B supporting Line 23 of the report covering the period during which the redesignation is made. 11 CFR §110.1(b)

Although the Commission may take further legal action regarding the excessive contribution(s), your prompt action in obtaining a refund and/or redesignating the contribution(s) will be taken into consideration.

2. Schedule H4 supporting Line 21(a) of your report discloses a payment(s) for "Health Insurance," "IDP 401K," "IDP Payroll," "IDP Taxes," and "Life Insurance." Please be advised that pursuant to 11 CFR §300.33(c)(2), salaries and wages for employees who spend more than 25% of their compensated time in a given month on Federal election activity (FEA) or activities in connection with a Federal election must not be allocated between or among federal and non-federal accounts. Rather, only federal funds may be used. Further, the Commission concluded in Advisory Opinion 2003-11 that amounts spent for employee-specific "fringe benefits," consisting of health insurance, disability insurance, life insurance, retirement benefits and payroll taxes, fall into the category of compensated time.

Please clarify whether this activity is for employees who spent 25% or less of their time during the month(s) referenced above on FEA or activities in connection with a Federal election. If this is not the case, any reimbursement from your committee's non-federal account for this payment is not permissible and must be returned. Although the Commission may take further legal action regarding any improper allocation activity, your prompt action will be taken into consideration.

- 3. Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule(s) H4 of your report to clarify the following description(s): "Bonus." For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).
- 4. Schedule H4 of your report discloses payments to "Jubilee Flowers" and "Jewett Printing," which are categorized as Administrative expenses; however, the purposes of disbursement disclosed are "JJ Flowers" and "JJ Invitations." Please be advised that payments made for your committee's

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fundraising activities must be allocated according to the funds received method and the ratio reflected on Schedule H2. Please amend your report to clarify the appropriate category for this activity or provide clarifying information regarding this apparent discrepancy.

5. Please clarify all expenditures made for "Black Expo Booth" on Schedule(s) H4. If a portion or all of these expenditures were made for activity that promotes or opposes a Federal candidate, but does not qualify as exempt party activity, this amount should be disclosed on Schedule B or F supporting Lines 23 or 25. 11 CFR §§104.3(b), 104.17(a) and 106.1

-Your report disclosed a category of financial activity that has been reflected on the wrong line of the Detailed Summary Page. Contributions to Federal Candidates/Committees and Other Political Committees should be properly disclosed on a separate Schedule B, supporting Line 23 of the Detailed Summary Page. Please refer to the instructions for each line when determining the proper categorization(s) for your next filing.

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. Requests for extensions of time in which to respond will not be considered.

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1394.

Sincerely,

Marlene R. Daughtrey

Senior Campaign Finance Analyst

Reports Analysis Division

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Recipient Name	Date	Amount	Election	Report
	i — · — ·			2007Amended July
Donnelly for Congress Committee	6/29/07	\$10,000	*P-2008	Monthly
				2007Amended July
Ellsworth for Congress Committee	6/29/07	\$10,000	*P-2008	Monthly

\*Schedule B of your report did not disclose an election designation for this contribution. Therefore, this contribution has been attributed to the next scheduled Federal election for this candidate, the 2008 Primary.